

BILL NO. R-96-11 - 09

DECLARATORY RESOLUTION NO. R-66-96

**A DECLARATORY RESOLUTION designating an
"Economic Revitalization Area" under I.C. 6-1.1-12.1
for property commonly known as 2801 Covington Road,
Fort Wayne, Indiana 46802 (Kelly Box and Packaging
Corpration)**

WHEREAS, Petitioner has duly filed its petition dated October 25, 1996 to have the following described property designated and declared an "Economic Revitalization Area" under Section 153.02 of the Municipal Code of the City of Fort Wayne, Indiana, of 1993, as amended, and I.C. 6-1.1-12.1, to wit:

Attached hereto as "Exhibit A" as if a part herein;

and

WHEREAS, said project will create four full-time, permanent jobs for a total new, annual payroll of \$80,000, with the average new annual job salary being \$20,000 and retain 68 full-time, permanent jobs for a total current annual payroll of \$1,638,700, with the average current, annual job salary being \$24,098; and

WHEREAS, the total estimated project cost is \$1,700,000; and

WHEREAS, it appears the said petition should be processed to final determination in accordance with the provisions of said Division 6.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
THE CITY OF FORT WAYNE, INDIANA:**

SECTION 1. That, subject to the requirements of Section 6, below, the property hereinabove described is hereby designated and declared an "Economic Revitalization

Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective date of the Confirming Resolution referred to in Section 6 of this Resolution and shall terminate on March 1, 1999.

SECTION 2. That, upon adoption of the Resolution:

- (a) Said Resolution shall be filed with the Allen County Assessor;
- (b) Said Resolution shall be referred to the Committee on Finance and shall also be referred to the Department of Economic Development requesting a recommendation from said department concerning the advisability of designating the above area an "Economic Revitalization Area";
- (c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the adoption and substance of this resolution and setting this designation as an "Economic Revitalization Area" for public hearing;
- (d) If this Resolution involves an area that has already been designated an allocation area under I.C. 36-7-14-39, then the Resolution shall be referred to the Fort Wayne Redevelopment Commission and said designation as an "Economic Revitalization Area" shall not be finally approved unless said Commission adopts a Resolution approving the petition.

SECTION 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate and personal property for new manufacturing equipment.

SECTION 4. That, the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of the value of redevelopment or rehabilitation and the estimate of the value of

1 new manufacturing equipment, all contained in Petitioner's Statement of Benefits, are
2 reasonable and are benefits that can be reasonably expected to result from the proposed
3 described redevelopment or rehabilitation and from the installation of new manufacturing
4 equipment.

5 **SECTION 5.** That, the current year approximate tax rates for taxing units within the
6 City would be:

7 (a) If the proposed development does not occur, the approximate current year tax rates
8 for this site would be \$8.8982/\$100.

9
10 (b) If the proposed development does occur and no deduction is granted, the
11 approximate current year tax rate for the site would be \$8.8982/\$100 (the change
12 would be negligible).

13 (c) If the proposed development occurs and a deduction percentage of fifty percent
14 (50%) is assumed, the approximate current year tax rate for the site would be
15 \$8.8982/\$100 (the change would be negligible).

16
17 (d) If the proposed new manufacturing equipment is not installed, the approximate
18 current year tax rates for this site would be \$8.8982/\$100.

19 (e) If the proposed new manufacturing equipment is installed and no deduction is
20 granted, the approximate current year tax rate for the site would be \$8.8982/\$100
21 (the change would be negligible).

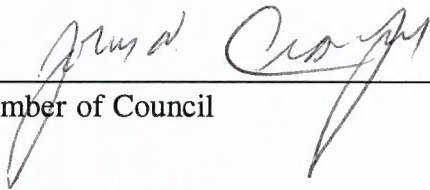
22
23 (f) If the proposed new manufacturing equipment is installed and a deduction
24 percentage of eighty percent (80%) is assumed, the approximate current year tax
25 rate for the site would be \$8.8982/\$100 (the change would be negligible).
26
27
28
29

1 **SECTION 6.** That, this Resolution shall be subject to being confirmed, modified and
2 confirmed, or rescinded after public hearing and receipt by Common Council of the above
3 described recommendations and resolution, if applicable.

4 **SECTION 7.** That, pursuant to I.C. 6-1.1-12.1, it is hereby determined that the
5 deduction from the assessed value of the real property shall be for a period of ten years, and
6 the deduction from the assessed value of the new manufacturing equipment shall be for a
7 period of five years.

8 **SECTION 8.** That, the benefits described in the Petitioner's Statement of Benefits can
9 be reasonably expected to result from the project and are sufficient to justify the applicable
10 deductions.
11

12 **SECTION 9.** That, this Resolution shall be in full force and effect from and after its
13 passage and any and all necessary approval by the Mayor.
14

15
16
17 
18 _____
19 Member of Council

20
21 APPROVED AS TO FORM AND LEGALITY
22


23 
24 _____
25 J. Timothy McCaulay, City Attorney
26
27
28
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EXHIBIT A

IDENTIFICATION OF PROPERTY RIGHTS APPRAISED

The real estate which is the subject of this appraisal is located at 2801 Covington Road, Fort Wayne, Indiana.

The property rights appraised were all those rights included in ownership of the fee simple title to this property, assuming said property to be free and clear of any existing encumbrances.

LEGAL DESCRIPTION

ORIGINAL

The West 5 acres of the north 6.20 acres west of the railroad, located in the northwest quarter of the northeast quarter, Section 16, Township 30, Range 12 East, Wayne Township, Allen County, Indiana.

DESCRIPTION OF IMPROVEMENTS

Existing building is concrete and steel construction and has three sections. #1 60 x 134 = 10,720 sq. ft. #2 60 x 142 = 8,520 sq. ft. #3 65 x 100 = 6,500 sq. ft. Total existing = 25,740 sq. ft. Approximately 2,000 sq. ft. is used for office space and the remainder is used for manufacturing and warehousing. Gas forced air furnace heats and cools office area, while overhead gas heaters service remaining building. Outside dock is approximately 4,380 sq. ft. with eight overhead truck doors.

The proposed new section at rear of existing building is 80 x 135 = 12,200 sq. ft. Butler steel building (widespan structure); exterior steel doors; two 16 x 12 insulated overhead doors; insulated walls, 6" fiberglass roof; 200 amp electrical service; concrete floor; new loading dock 2,000 sq. ft. with 4' x 40' overhang.

METHODS EMPLOYED

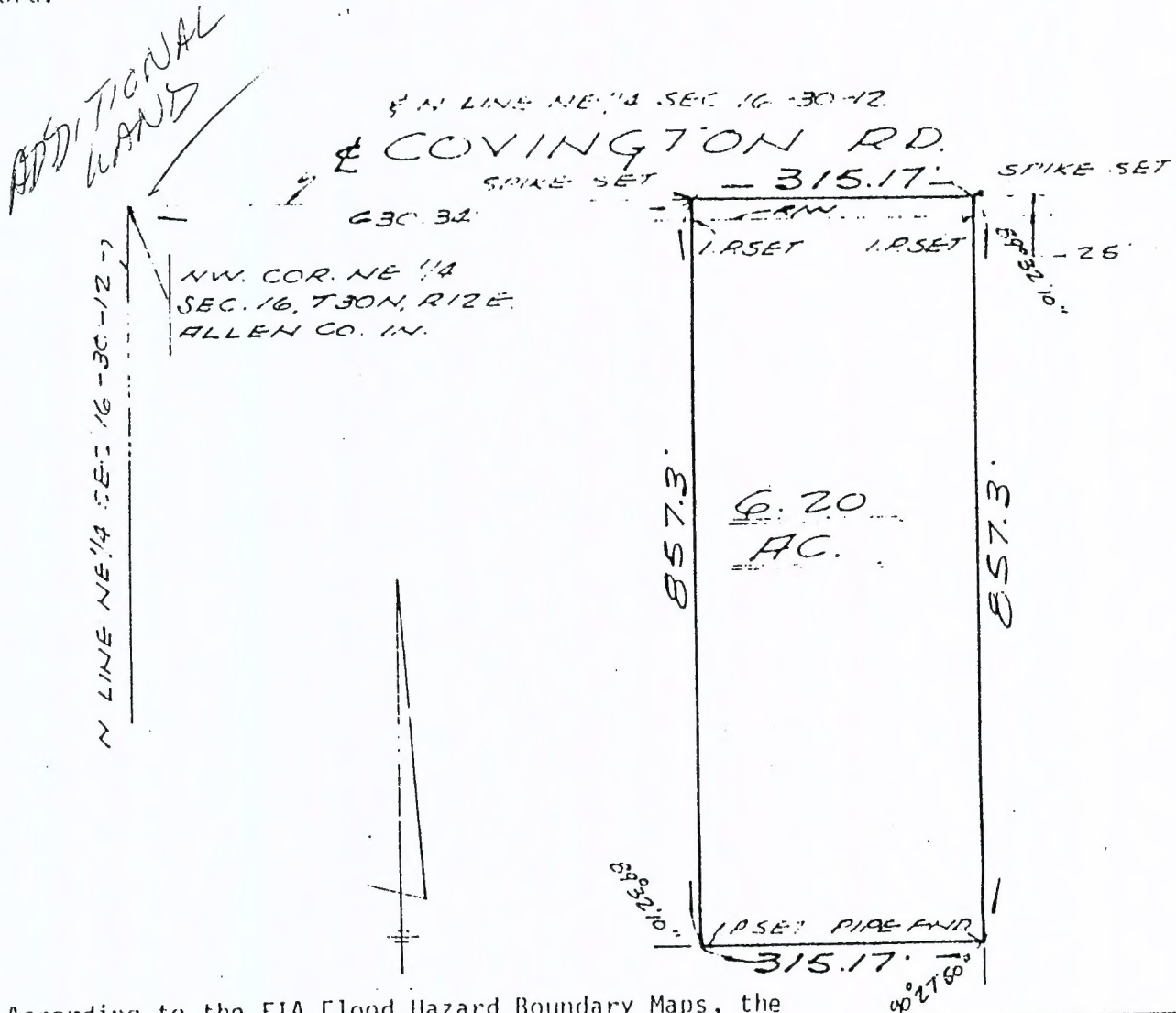
In the course of this appraisal, your appraiser gave consideration to these methods of determining value: Income and Expense Analysis; Cost Approach; Mortgage Equity Method and Cash Flow Method.

The undersigned Civil Engineer and Land Surveyor hereby certifies that he has made a resurvey of the real estate shown and described below.

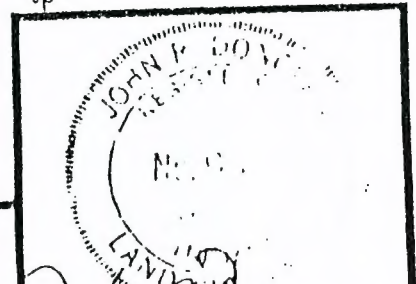
Measurements were made and corners perpetuated as shown hereon, in accordance with the true and established lines of the property described, and in conformity with the records in the office of the County Recorder, ALLEN County, Indiana. No encroachments existed, except as noted below.

The description of the real estate is as follows, to wit: Part of the Northeast Quarter of Section 16, Township 30 North, Range 12 East, Allen County, Indiana, more particularly described as follows:

Commencing at a point on the North line of the Northeast Quarter of Section 16, Township 30 North, Range 12 East, said point being 630.34 feet East of the NW corner of said $\frac{1}{4}$ section; thence East along the North line of said $\frac{1}{4}$ section, 315.17 feet; thence South with a deflection angle right of 89 degr. 32 min. 10 sec. and parallel to the West line of said $\frac{1}{4}$ section, a distance of 857.3 feet; thence West with a deflection angle right of 90 degr. 27 min. 50 sec. and parallel to the North line of said $\frac{1}{4}$ section, a distance of 315.17 feet; thence North with a deflection angle right of 89 degr. 32 min. 10 sec. and parallel to the West line of said $\frac{1}{4}$ section, a distance of 857.3 feet to the place of beginning, containing 6.20 acres and subject to all rights of way and easements of record.



NOTE: According to the FIA Flood Hazard Boundary Maps, the above described real estate is located in a flood hazard area.



1" = 200'
10-31-78

Read the first time in full and on motion by Crawford,
and duly adopted, read the second time by title and referred to the
Committee on Finance (and the City Plan Commission
for recommendation) and Public Hearing to be held after due legal notice, at
the Common Council Conference Room 128, City-County Building, Fort
Wayne,, Indiana, on _____, 19____, the _____ day of
_____, M., E.S.T. Sandra E. Kennedy

DATED: 11-12-96

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford,
and duly adopted, placed on its passage. ~~PASSED~~
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT:
TOTAL VOTES	<u>7</u>			<u>2</u>
BENDER	<u>✓</u>			
CRAWFORD	<u>✓</u>			
EDMONDS				<u>✓</u>
HALL	<u>✓</u>			
HAYHURST	<u>✓</u>			
HENRY	<u>✓</u>			
LUNSEY				<u>✓</u>
RAVINE	<u>✓</u>			
SCHMIDT	<u>✓</u>			

DATED: 11-12-96

SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,
Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL)

(SPECIAL) (ZONING) ORDINANCE RESOLUTION NO. Q-66-96
on the 12th day of November, 1996

ATTEST:

Sandra E. Kennedy (SEAL) Schmidt
SANDRA E. KENNEDY, CITY CLERK PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on
the 13th day of November, 1996,
at the hour of 3:00 o'clock P., M., E.S.T.

SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 20th day of November,
1996, at the hour of 9:00 o'clock A, M., E.S.T.

PAUL HELMKE, MAYOR

**STATEMENT OF BENEFITS**

State Form 27167 (R5 / 11-95)

Form SB - 1 is prescribed by the State Board of Tax Commissioners, 1989

CITY OF FT WAYNE

OCT 25 1996

FORM
SB - 1

DEPT. OF ECON DEVL.

INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment, or **BEFORE** the redevelopment or rehabilitation of real property which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation or prior to installation of the new manufacturing equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer Kelly Box & Pkg. Corp.	
Address of taxpayer (street and number, city, state and ZIP code) 2801 Covington Road , Fort Wayne, IN 46802	
Name of contact person Thomas J. Kelly, Jr.	Telephone number (219) 432-4570

SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body FORT WAYNE COMMON COUNCIL		Resolution number R -	
Location of property 2801 Covington Rd., Ft. Wayne, IN	County Allen	Taxing district 94 Ft. Wayne (Wayne)	
Description of real property improvements and / or new manufacturing equipment (use additional sheets if necessary) 12,000 sq. ft. addition to present building at 2801 Covington Rd., W5A of N6.2 A W of RRNE 1/4 Sect. 16	ESTIMATED		
		Start Date	Completion Date
	Real Estate	Nov, '96	Jan '97
	New Mfg Equipment	June '97	June '98

SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 68	Salaries \$1,638,700.00	Number retained 68	Salaries \$1,638,700.00	Number additional 4	Salaries \$80,000.00

SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT				
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values	1,000,000.00	505,000.00	\$1,000,000.00	\$335,000.00
Plus estimated values of proposed project	200,000.00	60,000.00	\$1,500,000.00	\$500,000.00
Less values of any property being replaced				
Net estimated values upon completion of project	1,200,000.00	565,000.00	2,500,000.00	\$835,000.00

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted (pounds) <u>None</u>	Estimated hazardous waste converted (pounds) <u>None</u>
Other benefits: Development of a depressed section of the city - adding value to that section	

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title Sec/Treas./	Date signed (month, day, year) ...

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed 3 calendar years * (see below). The date this designation expires is March 1, 1999.

B. The type of deduction that is allowed in the designated area is limited to:

1. Redevelopment or rehabilitation of real estate improvements;
2. Installation of new manufacturing equipment;
3. Residentially distressed areas

☒ Yes ☐ No

☒ Yes ☐ No

☐ Yes ☒ No

C. The amount of deduction applicable for new manufacturing equipment is limited to \$ unlimited cost with an assessed value of \$ unlimited.

D. The amount of deduction applicable to redevelopment or rehabilitation is limited to \$ unlimited cost with an assessed value of \$ unlimited.

E. Other limitations or conditions (specify) N/A

F. The deduction for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1991 is allowed for:

☐ 5 years ☒ 10 years The deduction period will be five (5) years unless the designating body has by resolution specified the ten (10) year period.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member) [Signature] Telephone number (219) 427-1221 Date signed (month, day, year) 11-12-96

Attested by: [Signature] Designated body Common Council

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5 Namely: (see tables below)

NEW MANUFACTURING EQUIPMENT

For Deductions Allowed Over A Period Of:

Year of Deduction	Five (5) Year Percentage	Ten (10) Year Percentage
1st	100%	100%
2nd	95%	95%
3rd	80%	90%
4th	65%	85%
5th	50%	80%
6th		70%
7th		55%
8th		40%
9th		30%
10th		25%

REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT

For Deductions Allowed Over A Period Of:

Year of Deduction	Three (3) Year Deduction	Six (6) Year Deduction	Ten (10) Year Deduction
1st	100%	100%	100%
2nd	66%	85%	95%
3rd	33%	66%	80%
4th		50%	65%
5th		34%	50%
6th		17%	40%
7th			30%
8th			20%
9th			10%
10th			5%

Adm. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE _____ Declaratory Resolution

DEPARTMENT REQUESTING ORDINANCE _____ Department of Economic Development

SYNOPSIS OF ORDINANCE Kelly Box and Packaging is requesting the approval of an Economic Revitalization Area for real and personal property improvements in the amount of \$1,700,000. In order to expand, Kelly Box and Packaging will build an additional 12,000 square foot to its existing warehouse. They will also purchase additional equipment.

EFFECT OF PASSAGE Creation of four new jobs with benefits, as well as the retention of 68 full-time jobs. Tax savings will be used to offset training wages and new equipment tooling costs.

EFFECT OF NON-PASSAGE Loss of four additional jobs and tax revenue.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) No public expenditures.

ASSIGNED TO COMMITTEE (PRESIDENT) Thomas Henry

CITY OF FT WAYNE

FOR STAFF USE ONLY:

Declaratory Passed _____ 19____
 Confirmatory Passed _____ 19____
 FT Jobs Currently _____
 PT Jobs Currently _____
 \$ _____ Current Average Annual Salary

OCT 25 1996

DEPT. OF ECON DEVL.

_____ FT Jobs to be Created
 _____ PT Jobs to be Created
 \$ _____ Avg Annual Salary of all New Jobs
 _____ FT Jobs to be Retained
 _____ PT Jobs to be Retained
 \$ _____ Avg Annual Salary of all Retained Jobs

ECONOMIC REVITALIZATION AREA APPLICATION CITY OF FORT WAYNE, INDIANA

APPLICATION IS FOR:

Real estate key no. 94-0101-0001

(Check appropriate box[es] below)

☒ Real Estate Improvements Total cost of improvements: \$200,000.00
 TJK ☒ Personal Property (New Manufacturing Equipment) Total cost of improvements: \$1,500,000

TOTAL OF ABOVE IMPROVEMENTS: \$1,700,000.00

GENERAL INFORMATION

Taxpayer's name: Kelly Box & Pkg. Corp. Telephone: 219-432-4570Address listed on tax bill: 2801 Covington Rd., Ft. Wayne, IN 46802Name of applicant's business: See above

Name of business to be designated, if applicable: _____

DBA: _____

Address of property to be designated: 2801 Covington Rd., Ft. Wayne, INContact person if other than above: Name: Thomas J. Kelly, Jr. Telephone: 219/432-4570Address: 2801 Covington Rd., Ft. Wayne, IN 46802

☒ Yes ☐ No Is the property for which you are requesting ERA designation totally within the corporate limits of the City of Fort Wayne?

☒ Yes ☐ No Do you plan to request state or local assistance to finance public improvements?

☐ Yes ☒ No Will the proposed project have any adverse environmental impact?

Describe: 12,000 sq. ft. addition to West side of present structure on the south end

Describe the product or service to be produced or offered at the project site? Manufacture & distribute of corrugated cartons & allied products.

In order to be considered an Economic Revitalization Area (ERA), the area must be within the corporate limits of the City of Fort Wayne and must have become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. It also includes any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues.

How does the property for which you are requesting designation meet the above definition of an ERA?

It is in the era designated area and meets all of the above qualifications.

REAL ESTATE ABATEMENT

Complete this section of the application only if requesting a deduction from assessed value for real estate improvements.

Describe any structure(s) that is/are currently on the property: The main office, the manufacturing facilities and warehouses of Kelly Box & Packaging Corp.

Describe the condition of the structure(s) listed above: Excellent

Describe improvements to be made to property to be designated: 12,000 sq. ft addition to present warehouse

Projected construction start (month/year): November, 1996

Projected construction completion (month/year): January, 1997

Current land assessment: \$ 14,000.00 Current improvements assessment: \$ 371,570.00

Current real estate assessment: \$ 504,900.00 Current property tax bill on site to be designated: \$ 18,554.00
5,932.13

What is the anticipated first year tax savings attributable to this designation? \$ _____

How will you use these tax savings? _____

Hire additional employees

PERSONAL PROPERTY ABATEMENT

Complete this section of the application only if you are requesting a deduction from the assessed value of new manufacturing equipment.

List below the manufacturing equipment for which you are seeking an ERA designation. This equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property at the site to be designated: _____

50" Flexo Folder Gluer

66" Rotary Die Cutter

☐ Yes ☒ No Has the above equipment for which you are seeking a designation, ever before been used for any purpose in Indiana?

Equipment purchase date: 6/97 Equipment installation date: 6/98

Current personal property tax assessment: \$ 14,980.00 Annual personal property tax bill: \$ 12,544.66

What is the anticipated first year tax savings attributable to this designation? \$ 40,000.00

How will you use these tax savings? Reinvest in the company

PUBLIC BENEFIT INFORMATION

EMPLOYMENT INFORMATION FOR FACILITY TO BE DESIGNATED

ESTIMATE OF EMPLOYEES AND SALARIES AS A RESULT OF PROPOSED FORT WAYNE FACILITY TO RECEIVE E.R.A. DESIGNATION			
	NO. OF EMPLOYEES ¹	TOTAL ANNUAL PAYROLL ²	AVERAGE ANNUAL SALARY ³
CURRENT NUMBER FULL-TIME	68	1,638,700.00	24,098.00
CURRENT NUMBER PART-TIME			
NUMBER RETAINED FULL-TIME	68	"	"
NUMBER RETAINED PART-TIME			
NUMBER ADDITIONAL FULL-TIME	4	\$80,000.00	\$20,000.00
NUMBER ADDITIONAL PART-TIME			

Check the boxes below if the jobs to be created will provide the listed benefits:

☒ Pension Plan

☒ Major Medical Plan

☒ Disability Insurance

☐ Tuition Reimbursement

☒ Life Insurance

☐ Dental Insurance

List any benefits not mentioned above: _____

When will you reach the levels of employment shown above? (Year and month) 1/2/99 TJK

Types of jobs to be created as a result of this project? Drivers (lift truck & semi) Warehouse labor, office/administrative

¹Sum of full- and part-time must match the figures given in Section 3 of "Statement of Benefits" Form SB-1 under "Current number", "Number retained", and "Number additional".

²It is to include your total annual payroll.

³Total annual payroll divided by the total number of employees at site to be designated both full- and part-time).

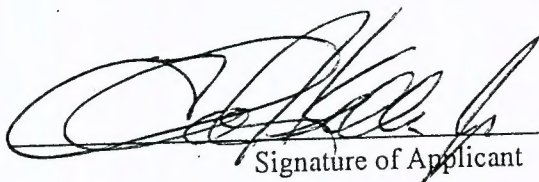
REQUIRED ATTACHMENTS

The following must be attached to the application.

1. Full legal description of property. (Property tax bill legal descriptions are not sufficient.)
Should be marked as Exhibit A.
2. Check for application fee made payable to the City of Fort Wayne.

<u>Project Cost</u>	<u>Fee</u>
\$0 to 250,000	<u>\$ 500</u>
\$250,001 to 1,000,000	\$ 700
\$1,000,001 and over	\$1,000
3. Owner's Certificate (if applicant is not the owner of property to be designated).
Should be marked as Exhibit B if applicable.

I hereby certify that all information and representations made on this application and its attached exhibits are true and complete and that no building permit has been issued for construction of improvements, nor has any manufacturing equipment which is a part of this application been purchased and installed as of the date of filing of this application. I understand that any incorrect information on this application may result in a recession of any tax abatements which I may receive. I understand that I must file a correctly completed CF-1 (Compliance With Statement of Benefits Form) with BOTH the City of Fort Wayne Department of Economic Development, AND the County Auditor within 60 days of the end of each year in which I receive deduction. Failure to file the CF-1 with either agency may result in a recession of any tax abatement occurring as a result of this application.



Signature of Applicant

10/18/96

Date

Thomas J. Kelly, Jr./Sec./Treasurer

Typed Name and Title of Applicant



MEMORANDUM

TO: Common Council Members

FROM: Staci Walter
Economic Development Specialist, Department of Economic Development

DATE: November 6, 1996

SUBJECT: Real and Personal Property Tax Abatement Application dated October 30, 1996 for Kelly Box and Packaging Corporation
Address: 2801 Covington Road, Fort Wayne, Indiana 46802

Background

Description of Product or Service Provided by Company:

Kelly Box and Packaging Corporation manufactures and distributes corrugated cartons and allied products.

Description of Project:

Kelly Box and Packaging Corporation will build a 12,000 square foot expansion to their existing warehouse. They will also purchase new equipment.

Total Project Cost:	\$1,700,000	Number of Full Time Jobs Created:	4
Councilmanic District:	4	Number of Part Time Jobs Created:	0
Existing Zoning of Site:	M-2	Average Annual Wage of Jobs Created:	\$20,000
		Number of Full Time Jobs Retained:	68
		Number of Part Time Jobs Retained:	0
		Average Annual Wage of Jobs Retained:	\$24,098

Project is Located Within a:

Designated Downtown Area:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Redevelopment Area:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Urban Enterprise Area:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Platted Industrial Park:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Effect of Passage of Tax Abatement

Creation of four additional jobs with benefits, as well as the retention of 68 full-time jobs.

Effect of Non-Passage of Tax Abatement

Loss of four additional jobs and tax revenue.

Staff Recommendation

Per the established policy of the Department of Economic Development, the following recommendations are made:

1. Designation as an "Economic Revitalization Area" should be granted.
2. Designation period will terminate on March 1, 1999.
3. The period of deduction for real improvements should be limited to ten years.
4. The period of deduction for manufacturing equipment should be limited to five years.

Signed: Staci Walter
Economic Development Specialist

Signed: Trisha Bense
Sr. Economic Development Specialist

Comments:

BILL NO. R-96-11-09

REPORT OF THE COMMITTEE ON
FINANCE
THOMAS C. HENRY - JOHN N. CRAWFORD - CO-CHAIR
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS
REFERRED AN (ORDINANCE) (RESOLUTION) 2801 Covington Road
(Kelly Box and Packaging Corporation)

HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(ORDINANCE) (RESOLUTION)

<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>	<u>NO REC</u>
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			
<u>[Signature]</u>			

DATED: 11-12-96

Sandra E. Kennedy
City Clerk